

31 July 2023

To the attention of:
Honorable Enoch Godongwana
Minister of Finance
National Treasury
By email: minreg@treasury.gov.za

Ms. Mary Malumo
Personal Assistant to the Minister of Finance
National Treasury
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Kgomotso Mebombo
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Professionalisation of the accounting functions in the public sector

Honourable Minister of Finance,

We write to you on behalf of the Chartered Institute for Business Accountants (formally SAIBA), a leading professional body for accountants working in the private and public sectors. We have been closely monitoring the challenges faced by our nation's public sector and believe we have a unique and comprehensive solution to enhance its efficiency and effectiveness. CIBA offers a wide range of designations from NQF 4 to NQF 9 suited for the public sector. More information is included in Annexure 1 on our initiatives and in Annexure 2 listing CIBA's designations.

We reference the recent article by audit firm BDO titled 'Why South Africa Urgently Needs More Auditors in the Public Sector'¹ to increase the number of trainee Chartered Accountants (CAs) from the South African Institute of Chartered Accountants (SAICA) in government. While we commend this initiative, we believe that a more comprehensive approach is needed to truly transform the public sector. Any policy amendments with regard to training and employment should include all of South Africa's professional accountancy bodies and not only SAICA. This will ensure broad representation and choice as well as ensure a fair and just process.

¹ Mohamed Zak Sadek. BDO South Africa. (6 July 2023). <https://www.bdo.co.za/en-za/home/featured-insights/why-south-africa-urgently-needs-more-auditors-in-the-public-sector>

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Our proposed approach builds on the National Framework Towards the Professionalisation of the Public Sector, published by the National School of Government. We believe that this approach should go beyond the approach proposed by SAICA in several key areas:

1. Holistic Training Approach

CIBA proposes a comprehensive training program that not only focuses on technical accounting skills but also on public sector management, ethics, governance, and policy-making. This will ensure that our trainees are well-equipped to handle the unique challenges of the public sector.

2. Public Sector Internships

CIBA proposes a mandatory internship program within the public sector for all our trainees. This will provide them with practical experience and exposure to the workings of the public sector, making them more likely to consider a career in this field.

3. Mentorship Program

CIBA proposes establishing a mentorship program where experienced public sector accountants can mentor CIBA trainees. This will provide our trainees with valuable guidance and support, increasing their confidence and competence.

4. Public-Private Partnerships

CIBA proposes establishing partnerships between the public sector and private firms. This will allow for knowledge and skill transfer, enhancing the capacity of the public sector.

5. Incentive Schemes

To attract and retain top talent, CIBA proposes a range of incentives such as competitive salaries, career progression opportunities, and recognition for outstanding work. We also propose a loan forgiveness program for those who commit to working in the public sector for a certain period.

6. Continued Professional Development

CIBA proposes a robust continued professional development program for public sector accountants. This will ensure they stay up to date with the latest developments in the field and can continue to deliver high-quality services.

7. Research and Policy Influence

CIBA proposes establishing a research and policy unit within our organization. This unit will conduct research on public sector accounting issues and contribute to policy debates, positioning us as thought leaders in this field.

CIBA believes that this comprehensive approach will not only attract more accountants to the public sector but also enhance their capacity to contribute effectively to public sector management and governance. CIBA is currently working with the Department of Social Development to train and develop NPO Treasurers with the aim of improving the compliance of South Africa's 250,000 NPOs. We believe that we can also support National Treasury with its goal to professionalise the public sector.

We look forward to your feedback on the issues raised in this proposal and exploring ways in which we can collaborate to strengthen our nation's public sector.

Yours faithfully,



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APPENDIX 1: BACKGROUND TO CIBA

CIBA is a Professional Accountancy Organisation (PAO) and Self-Regulatory Organisation for accountants, tax practitioners, financial managers, and financial directors, in the public and private sector, with offices in South Africa and Namibia. We are associate members of the Pan African Federation of Accountants (PAFA) and full members of the International Association of Finance Executive Institutes (IAFEI) and the International CFO Alliance (ICFOA)².

CIBA is authorised to issue designations as registered with the South African Qualifications Authority (SAQA) and our members with relevant designations are recognised as accounting officers, independent reviewers, and independent accounting professionals.

CIBA is a statutorily recognised professional accountancy organisation performing a public service in terms of the following empowering legislation:

South Africa

- Recognized Professional Body and Registered Professional Designations: National Qualifications Framework Act 67 of 2008.
- Recognized Controlling Body for Tax Practitioners: Section 240A of the Tax Administration Act, 2011.
- Professional Accountancy Organisation for Assurance and Non-assurance providers: Regulation 29(4) of the Companies Act, 2008 and Section 60(2) of the Close Corporations Act, 1984.

Namibia

- Professional Accountancy Organisation for Accounting Officers: Section 60(2) of the Close Corporations Act, 1988.

CIBA's objectives are to protect the public interest by adopting and enforcing standards of ethics, conduct, quality, and service engagement standards that seek to ensure the delivery of accountable and transparent professional service by CIBA members.

We do this by offering executive education and continuous professional development (CPD) via our training platform CIBA academy, technical news updates via accounting weekly and CFO talks, and enforcing ethical conduct thorough monitoring and disciplinary procedures.

Our brands include:

www.saiba.org.za

www.cfoclub.co.za

www.accountingweekly.com

www.saiba.academy

² CFO Club. 19 July 2023. Global opportunities and recognition: what the new international CFO Alliance mean for you.
<https://cfoclub.co.za/global-opportunities-and-recognition-what-the-new-international-cfo-alliance-means-for-you/>

APPENDIX 2. CIBA DESIGNATIONS



myciba.org
Associate member of
www.pafa.org.za
Full member of
www.iafei.org

BUSINESS
LEVEL

ROLE IN FINANCE
DEPARTMENT

CIBA
DESIGNATION

Admission Criteria

QUALIFICATION

+

EXPERIENCE

VERIFICATION
& ASSESSMENT

CPD

COMMERCE BASED							
Strategic	Chief Financial Officer Financial Director, Finance Executive, Head of Finance, Chief Accountant	Certified Financial Officer (SA) Cert. Fin. Off. (SA) Global: Chartered CFO or CCFO	NQF 9 <u>Standard route</u> 1. BCom Accountancy 2. BCom Hons Accountancy 3. MBA	<u>Alternative route</u> BCom/BSc/Law/ ACCA/CIMA	10 yrs incl. 4 yrs at strategic level	<u>Verify</u> 1. Qualification & Experience 2. Affidavit 3. Employer & colleague confirmation <u>Verbal Assessment</u>	1. 40 units input-based assessed 2. Annual ethics assessment 3. Annual CFO assessment
Management	Financial Manager Vice President Finance, Finance Controllers, Treasurer, Fund Manager	Certified Business Accountant (SA) CBA(SA) Global: Chartered FM or CFM	NQF 8 <u>Standard route</u> 1. BCom Accountancy 2. BCom Hons Accountancy Alternative RPL routes apply	<u>Alternative route</u> BCom/BSc/Law/ ACCA/CIMA	4 yrs at management level	<u>Verify</u> 1. Qualification & Experience 2. Affidavit 3. Employer & colleague confirmation <u>Verbal Assessment</u>	1. 30 units input-based assessed 2. Annual ethics assessment 3. Annual assessment
Operational	Financial Accountant Cost Accountant, Capital Budgeting Analyst, Credit Analyst, Tax Accountant, Internal Auditor	Business Accountant (SA) BA(SA) Global: Chartered BAC or CBAC	NQF 6 <u>Standard route</u> 1. BCom General Alternative RPL routes apply	<u>Alternative route</u> BCom/BSc/Law/ ACCA/CIMA	2 yrs at operational level	<u>Verify</u> 1. Qualification & Experience 2. Affidavit 3. Employer & colleague confirmation <u>Assessment: Portfolio of evidence</u>	1. 20 units input-based assessed 2. Annual ethics assessment
Administrative	Financial Administrator Senior bookkeeper, Accountant, Full service bookkeeper	Chartered Financial Administrator CFAdmin Global: Chartered Fadmin	NQF 5 <u>Standard route</u> 1. Higher Certificate in Accounting	<u>Alternative route</u> Higher certificate: Commerce: Cost and management Accounting	12-18 mon at administrative level	<u>Verify</u> 1. Qualification & Experience 2. Affidavit 3. Employer & colleague confirmation <u>Assessment: Portfolio of evidence</u>	1. 15 units input-based assessed 2. Annual ethics assessment
Functional	Bookkeeper Clerk, Trainee, Assistant accountant	Chartered Bookkeeper CBK	NQF 4 <u>Standard route</u> 1. FET Certificate: Bookkeeping	<u>Alternative route</u> Nat Senior Cert (Gr 12) Math, Accounting	6-12 mon at functional level	<u>Verify</u> 1. Qualification & Experience 2. Affidavit 3. Employer & colleague confirmation <u>Assessment: Portfolio of evidence</u>	1. 10 units input-based assessed 2. Annual ethics assessment
PRACTICE BASED							
Specialist/ Licensed Practice	Accountant in Practice with a specialised skillset	Business Accountant in Practice (SA) BAP(SA) with CIBA license/s	<u>Standard route</u> 1. BAP(SA) designation	<u>License exceptions</u> Other SAIBA designations as relevant per license	Defined per license	<u>Verify</u> 1. Qualification & Experience 2. Affidavit 3. Employer & colleague confirmation <u>Written Assessment</u>	1. 4 units input-based assessed
Practice	Accountant in Practice Accounting officers, Tax Practitioners	Business Accountant in Practice (SA) BAP(SA) Global: Chartered BAP or CBAP	NQF 7 <u>Standard route</u> 1. BCom Accountancy	<u>Alternative route</u> BCom/BSc/Law/ ACCA/CIMA	4 yrs at operational level	<u>Verify</u> 1. Qualification & Experience 2. Affidavit 3. Employer & colleague confirmation <u>Verbal Assessment</u>	1. 40 units input-based assessed 2. Annual ethics assessment 3. Annual Practice License
Designations are registered with SAQA and aligned to industry norms, regulations and the International Education Standards (IES) developed and approved by the International Accounting Education Standards Board (IAESB) and defined by a Competency Framework .		IES 1 Subject to admission criteria. Set by SAQA, Higher Education Institutions and CIBA	IES 2, IES 3, IES 4 Technical competencies, skills and values		IES 5 Applied knowledge, measured against a logbook	IES 6 Assessing integration of knowledge and experience based on competency framework	IES 7 Maintaining skills and competence